



Gladys Carrión
Commissioner

MEMORANDUM

Susan Nuccio
Deputy Commissioner/
Chief Financial Officer
Financial Services

DATE: January 16, 2015

TO: EarlyLearn Head Start Providers

Courtney LeBoriosis
Financial Services
Assistant Commissioner,
Budget

FROM: Arturo Best 

**SUBJECT: Head Start Program Year 01 COLA
EL Numbered Memorandum #16**

Arturo Best
Financial Services
Assistant Director,
Budget

The ACS Head Start grant received a 1.3% Cost of Living Adjustment (COLA) effective retroactively to February 1, 2014.

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As per the FY 2014 Head Start Funding Increase program instruction [ACF-PI-HS-14-01], Head Start COLA funds are to be used to increase staff salaries and fringe benefits and to pay for higher operating costs. Programs are expected to use COLA funds to increase Head Start funded portions of staff salaries and salary related fringe benefits by 1.3% retroactive to 2/1/2014. EarlyLearn contractors with Head Start funded components must permanently increase the allocated Head Start portion of their pay scale rather than only increase the salaries of current employees. Documentation of these increases should be included in each affected employee's HR file.

Email Address:
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ACS will be distributing the PY01 COLA in two phases:

- For the City Fiscal Year 2014 portion of the COLA (i.e., 2/1/14 to 6/30/14), ACS will use the salary and fringe benefit information supplied by your agency for the 2/1/12 Head Start COLA to calculate the additional 1.3% COLA. This calculation will include the previous COLA in the base when calculating the retroactive FY2014 COLA distribution. Your agency can anticipate distribution in the next few weeks. Instructions on how to record the FY2014 portion of the PY01 COLA will be specified in the FY2015 Audit Instructions.
- Beginning 7/1/2014, Head Start Model 1 [Dual] program rates have been retroactively increased by \$0.33/day and Head Start Model 2

[Head Start only] program rates have been retroactively increased by \$0.60/day. These retroactive increased rates were included in your January 2015 distribution.

Your agency will be required to provide ACS with a signed attestation that all retroactive COLA had been disbursed to all eligible employees. In addition, on request you will need to demonstrate that you have increased your Head Start funded pay scale by 1.3%.

If you need more information, please contact your budget analyst.

C. NYC Head Start Sponsoring Board Council